GOVERNMENT OF INDIA
URBAN DEVELOPMENT
LOK SABHA

UNSTARRED QUESTION NO:3337
ANSWERED ON:12.02.2014
GUIDELINES OF JNNURM
Bairwa Shri Khiladi Lal

Will the Minister of URBAN DEVELOPMENT be pleased to state:

(a) whether the local bodies are mandated to pay the amount of tender premium in addition to their share as per the guidelines of Jawaharlal Nehru National Urban Renewal Mission (JNNURM) and if so, the details thereof;

(b) whether the Government proposes to pay the tender premium in view of the weak economic condition of local bodies and if so, the details thereof;

(c) whether the additional instalments are not being released by the Government due to delay in the implementation of reform progammes and if so, the details thereof:

(d) whether the uniform urban reforms being implemented in all States are unmindful of the different conditions of local bodies in various States; and

(e) if so, the details thereof and the corrective steps proposed to be taken by the Government?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF URBAN DEVELOPMENT (SMT. DEEPA DASMUNSHI)

(a) & (b): The Government of India (GoI) is not funding Tender premium. It is to be borne by the State/Urban Local Bodies (ULBs) as projects under Jawaharlal Nehru National Urban Renewal Mission (JnNURM) are implemented by the State through Local Bodies/ Parastatals as per their existing rules/ procedures.

(c) to (e): The pace of implementation of reforms under JnNURM are uneven due to capacity constraints of the States/ ULBs. The Government has reviewed the position and decided on 01.12.2010 to accord approval for consideration/release of further installments of ACA after withholding 10% of the Central Share in case of UIG projects in States/ ULBs where significant progress has been made in the implementation of reforms. It has been further decided that States may use their own funds to meet the balance amount and complete the ongoing projects and obtain reimbursement of the withheld amount upon completion of reforms.